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ER 7-2476A

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Honorable William L. Dawson
Chairman, Committee on Government Operations
House of Representatives
Washington 25, D. C.

Dear Mr. Chairman:

This Agency has carefully reviewed H. R. 7333, a bill extending the authority of the General Services Administration with respect to warehouses and other storage facilities operated by civilian agencies of the Government, upon which you have requested our comments.

As proposed, H. R. 7333 provides that the General Services Administration would exercise all Government functions with respect to the operation and management of warehouses and other storage facilities, either directly or in such other manner as the Administrator may prescribe. The bill contains no exceptions for any Government agency except insofar as the Administrator of General Services might prescribe certain procedures for a particular situation. Such legislation would present certain very difficult security problems for the Central Intelligence Agency.

Because of the nature of the operations of the Agency, it is often necessary for us to store and otherwise maintain a good deal of equipment and supplies which are not utilized by the normal Government agency, and which must be handled both for storage and shipment on a highly secure basis by specially cleared personnel. Secure procedures in this connection have been established by us. The inclusion of such supplies in Government warehouses which are cross-servicing other Departments of the Government would require the special clearance of many more warehouse personnel than it is presently necessary to clear for our activities, and would place such personnel outside of the control of this Agency from a security standpoint.

It is my opinion that the security of CIA operations requires CIA to be in a position of storing and warehousing its own supplies where security considerations dictate an overriding need. My statutory obligations to protect intelligence methods would make it advisable that I continue to have control of such matters without regard to the Government-wide requirements of the Administrator of General Services. It goes without saying that we would continue to use GSA facilities in this connection where security considerations were not overriding. However, for the above stated reasons, we

recommend the inclusion of a provision in H. R. 7333, or any similar legislation on this point which you may be considering, which would make it possible for the President, by Executive order, to make such specific exemptions from the exercise of the authority contained in the bill as he deems to be necessary in the public interest.

The Bureau of the Budget has no objection to the submission of this request. We will be glad to discuss it further with you personally if you desire.

With kindest regards.

Sincerely,

SIGNED

Allen W. Dulles
Director

CONCURRENCES;

Director of Logistics Date

Director of Security Date

General Counsel Date

W. L. K. White MAR 22 1956

Deputy Director (Support) Date

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